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# Vancouver in Review

From the World's Largest Tenant Focused Commercial Real Estate Brokerage

Office | Industrial | Retail

July 2023

## Worth A Read:

*With comments from our SVP & Managing Broker, Ross Moore*



### Strike gets underway for more than 7,400 port workers across B.C. |

**Written by: Darryl Greer - The Canadian Press | [Link to article](#)**

More than 7,400 members of the International Longshore and Warehouse Union Canada walked off the job July 1st putting a spotlight on Vancouver's warehouse market. While in the short-term demand may take a mild hit, in the medium- and long-term warehouse users will be incentivized to hold more inventory, with a subsequent need for additional space. Since COVID, the mantra among warehouse users has shifted from just-in-time, to just-in-case, and with BC's ports now impacted by labour action, this will only be more so.



### Canada's economy strengthens, leaving July rate hike on the table |

**Written by: Randy Thanthong-Knight - Bloomberg News | [Link to article](#)**

Sometimes good news is bad news. With recent Gross Domestic Product (GDP) numbers coming in surprisingly strong, to curb growth (and inflation) the consensus among Canada's leading economists is the Bank of Canada will now add a further 25 basis points (bps) to the overnight rate, due to be announced July 12th. This will leave the trend setting rate at 5.0%, a level not seen since April 2001. The Prime Rate, charged by Canada's chartered banks is also expected to increase by 25 bps to 7.20%. For a capital intensive industry such as real estate, higher interest rates are only bad news.



### Surprising post-pandemic shift hits downtown Vancouver as office vacancies rise to 12.3% |

**Written by Joanne Lee-Young - Vancouver Sun | [Link to article](#)**

According to a recent report by Bloomberg, Oxford Properties and CPPIB have placed two Class A office buildings on the market with an estimated sales price of \$350 million. The timing and motivation, however, calls into question the relative health of the downtown office market. Cresa's Ross Moore stated while office is currently out of favour, the prime nature of both buildings almost guarantees a sale. While institutional investors are looking to rebalance their portfolios away from office, local and foreign buyers are more likely to take a more sanguine view (and long-term) and give serious consideration to purchasing prime downtown Vancouver real estate.

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## By The Numbers

\*Class A average rent CAD



\*Downtown Office Rent: **\$44.25 psf** (net)  
**Availability Up 2.8% QoQ**



Office Space Under Construction:  
**5.3M SF across Metro Vancouver**



Average Industrial Asking Rent Across  
Metro Vancouver: **\$21.67 psf** (net)



Industrial Space Under Construction:  
**7.9 M SF across Metro Vancouver**

Want to learn more or curious about how we can help optimize your space? **Let's chat!**



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## Noteable Transactions:



**MDA\***  
181,588 SF | Office  
13800 Commerce Pkwy,  
Richmond, BC



**Lundin Mining\*\***  
35,692 SF | Office  
1055 Dunsmuir St,  
Vancouver, BC



**Kaseya\*\***  
27,362 SF | Office  
555 Robson Street,  
Vancouver, BC



**Cintas Corporation**  
35,000 SF | Industrial  
3707 Mount Lehman Rd,  
Abbotsford, BC

\*Renewal | \*\*Sublease

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